requirement of the report from the concerned police Station about the antecedents of the applicant of the particular State and not by the Collector, as provided under the Act;

(iv) Direct the Ministry of Defence, Government of India to initiate appropriate action against the concerned Army personnel who have been named by the Collector in its preliminary report.

(d) The Arms Act, 1959 has the necessary provisions to penalize illegal sale of arms. The State Governments are competent to take appropriate action in case of violation of the provisions of the said Act.

Increasing Trade Deficit

†*87 SHRI RAM JETHMALANI:
DR. MURLI MANOHAR JOSHI:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that due to imbalance between import and export in the foreign trade of the country, the difference between the both is increasing continuously;

(b) if not, the facts in this regard;

(c) the difference between the import and export during the year 2004-2005, 2005-2006 and 2006-2007 respectively; and

(d) the details of such difference from the month of April to September during the year 2007-08 and the main reason for this increasing gap?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) and (b) Yes, Sir.

(c) and (d) The details of import, export and trade balance during 2004-05, 2005-06, 2006-07 and 2007-08 (April to September) are given in the table below:

India's Foreign Trade

Value in U.S Million

Year	Export	Import	Trade Balance
2004-05	83536	111517	-27981
2005-06	103091	149166	-46075
2006-07	126362	185749	-59388
2006-07 (April-September)	60986	87010	-26024
2007-08 (April-September)-(P)	72281	109204	-36924

Source: Directorate General of Commercial Intelligence & Statistics, Kolkata
(P) Provisional figures

The increase in trade deficit annually from 2004-05 till now is due to the exports growing at a lower rate than that of imports. The major reasons for this can be attributed to the increase in the prices of petroleum products, increase in the import of capital goods and raw-materials due to high growth rate of the economy and the strengthing of the Rupee.

†Original notice of the question was received in Hindi.